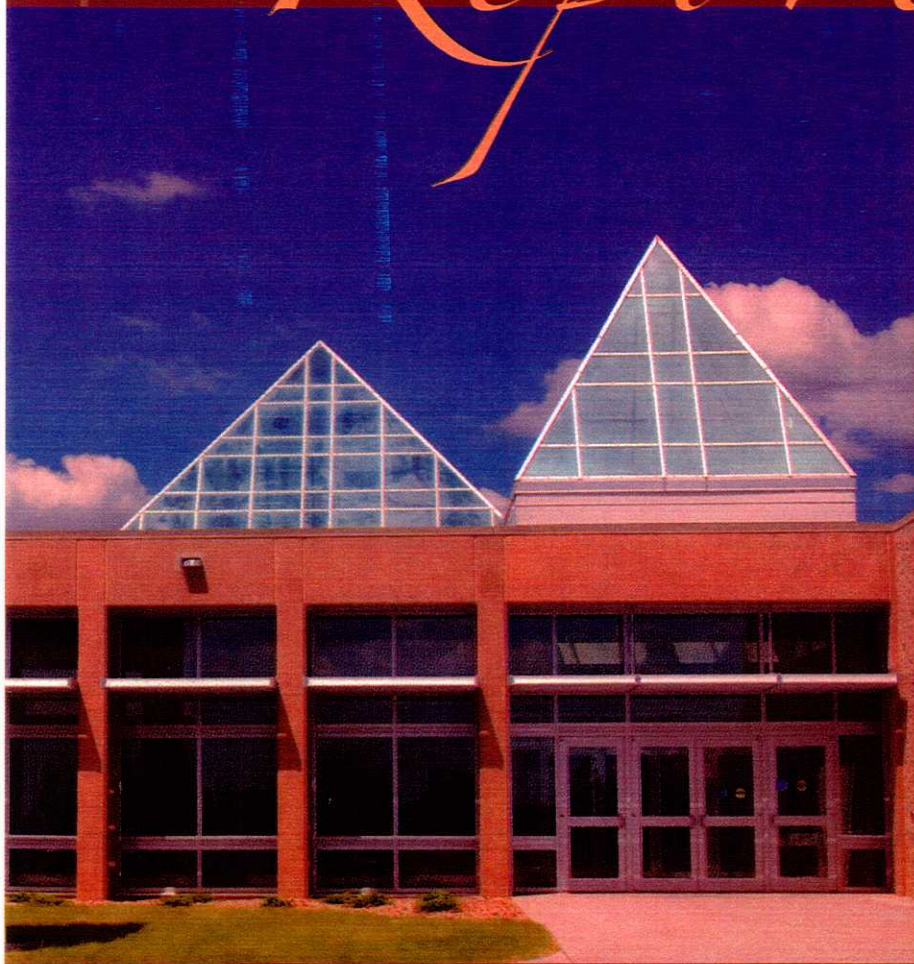


DIRECTOR'S *Report*



EDUCATING
SOUTH DAKOTA'S
ESSENTIAL

Workforce!

2 0 0 6 - 2 0 0 7

SOUTHEAST TECH



SOUTHEAST
TECHNICAL INSTITUTE

FACES OF *Success*



Cheryl Elbers

MY DESTINY, MY WAY

Graphic Communications

graduate Cheryl Elbers moved from employee to employer as owner and founder of Imij Inc., a hot new up-and-coming design and photography agency.

O U R *Vision*

Southeast Technical Institute is to be the premier regional educational center for workforce development and life-long learning.

O U R *Mission*

The mission of Southeast Technical Institute is to educate individuals for employment opportunities, professional growth and life-long learning.

WE ACHIEVE THIS *By Providing*

- Quality Accredited Programs
- Customized Training
- Continuing and Adult Education Opportunities
- Environment that Fosters Student Centered Learning

MESSAGE FROM THE *Director*

I am very proud to present to our many stakeholders the first annual Director's Report for Southeast Technical Institute, South Dakota's largest technical institute. The mission of Southeast Tech is to "educate individuals for employment opportunities, professional development, and life long-learning." I am pleased to say we are living our mission everyday.

In 2006, the Sioux Falls School District and the South Dakota Board of Regents signed 116 program-to-program articulation agreements. Students who graduate from a program at Southeast Tech may transfer to one of the South Dakota Public Universities through one of these agreements and receive credit for courses they completed at Southeast Tech. The South Dakota Universities have also agreed upon consistent course outcomes for each of the general education courses taught at the technical institutes allowing a complete transfer of general education credit. Southeast Tech students now have a wonderful opportunity to continue their education toward a bachelor's degree providing for another option for life-long learning.

Southeast Tech works with the community to provide the best workforce development in the region because we realize it is a key to economic success. Southeast Tech can only be successful in producing a qualified workforce with your help. We continue to appreciate the wonderful support that Southeast Technical Institute receives from all of you.



Jeffrey R. Holcomb

Director, Southeast Technical Institute



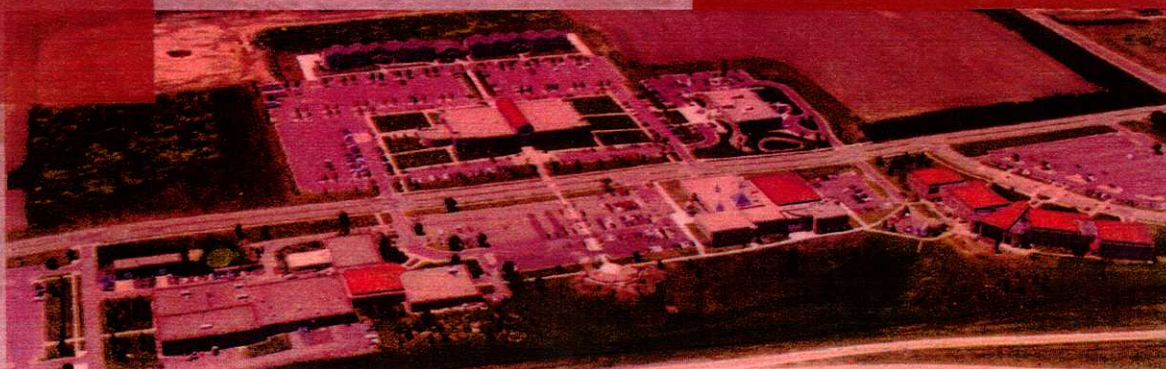
Jeffrey R. Holcomb

Our Students are Coming From...

South Dakota	74%
Out of State	26%
Sioux Falls	19%

S T I *Campus*

Consists of five buildings,
two student apartments
and one child care facility,
encompassing 166 acres.



SOUTHEAST *students*

Every five years we ask our campus-based students to complete a Student Satisfaction Questionnaire during the Spring Semester. In the most recent survey, STI rated statistically higher than the national average on seven of the 11 categories. To address students' concern in Academic Services, STI has expanded library hours, increased computer availability and created student study areas.

Graduate Numbers

2000	696
2001	645
2002	747
2003	817
2004	934
2005	919

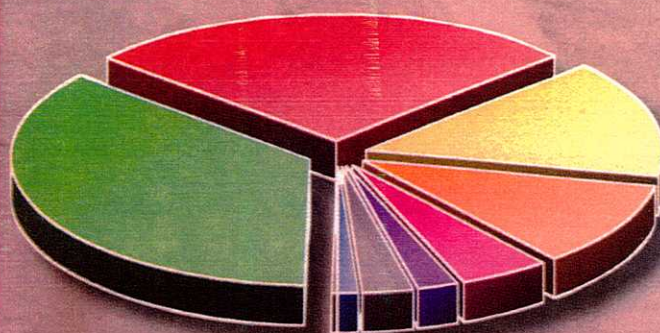
Graduate Survey

STI's 6-Month Follow-up Graduate Survey Placement Information for 2005 Graduates

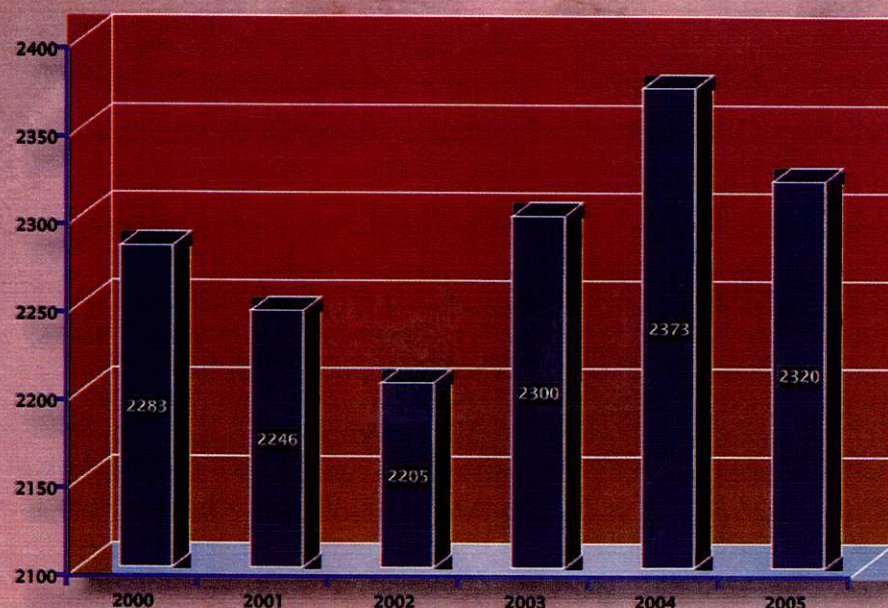
% Employed	99%
% Employed in Field	89%
% Employed in SD	70%
% of Graduates Employed	
in SD staying in Sioux Falls	69%

**Numbers based on graduates responding to STI's follow-up survey*

STI STUDENT DEMOGRAPHICS



STI STUDENT ENROLLMENT TRENDS



STI STUDENT SATISFACTION SURVEY

	Importance to Students	STI Rating [^]	National Mean	Mean Difference
Instructional Effectiveness	#1	5.46	5.33	.13***
Academic Advising/Counseling	#2	5.49	5.13	.36***
Concern for the Individual	#3	5.38	5.15	.23***
Registration Effectiveness	#4	5.35	5.32	.03
Student Centeredness	#5	5.42	5.23	.14***
Campus Climate	#6	5.37	5.21	.16***
Admissions and Financial Aid	#7	5.17	5.03	.14***
Service Excellence	#8	5.23	5.16	.07*
Academic Services	#9	5.26	5.34	-.08*
Safety and Security	#10	4.8	4.84	-.04
Campus Support Services	#11	5.09	4.88	.21***

[^]based on a 7 point scale

* significant

*** highly significant

SOUTHEAST *Scholarships*

This fall the STI Foundation provided over \$50,000 in student scholarships.

"I'm attending Southeast for Criminal Justice. I hope to become a detective working in a local sheriff's department within the state of South Dakota after graduation. Thank you once again for helping me achieve my dream of a career in law enforcement."

-Derek Layher, STI Scholarship Recipient



All gifts to the STI Foundation are gratefully accepted and recognized.

- Endowed Funds may be established with gifts of \$10,000 or more paid within a three-year period.
- Annual scholarship funds may be established with a gift of \$500 or more per year, allowing the donor to select the name and criteria.
- Gifts under \$500 are placed in the STI Foundation annual or endowment accounts to combine support for STI students.

Contact Mary Freiborg, Institutional Advancement Officer, at 605.367.7464 for more information.

STI FOUNDATION *Mission & Core Value*

MISSION

The STI Foundation will obtain, manage and allocate contributions to support STI students as they reach their potential and achieve their goals for employment, professional growth and life-long learning.

CORE VALUE

Support of postsecondary education is the most beneficial investment a society can make in its people.

FOUNDATION *Board Members*

Mike Crane
Principal, Crane & Fowler Investments

Tim Cranny
Regional Supervisor, Citigroup Card Services

Jeffrey A. Hazard, AIA
CEO/Principal, Koch Hazard Architects

Helen Henkin
Account Representative, Henkin Schultz Inc.

Jeffrey R. Holcomb
Director/CEO, Southeast Technical Institute

Michael J. Jamison, PE
Principal, TSP

Joan Johnson
Human Resources, HSBC

Randy Knecht, CPA
CFO, Sioux Falls Construction

Deana Larson
Community Relations Officer,
Wells Fargo Financial Bank

Vince McCormick
Owner/CEO, Contracting Consultants, Inc.

Matt Plaetz
President, STI Student Government Assn.

Myron Rau, President
South Dakota Automobile Dealers Assn.

Jeff Schlepp
STI Architectural Instructor

Steve Statz
Senior Vice President for
Business Development, Avera Health

Orlen Tschetter
Vice President, Sioux Valley Hospital

STI FOUNDATION STAFF

Mary Freiborg
Institutional Advancement Officer
605.367.7464
mary.freiborg@southeasttech.com

Vicki Oswald
Assistant to the Director
605.367.8355
vicki.oswald@southeasttech.com

FACES OF *Success*



Krysta Gilbert

MY DREAM HAS COME TRUE

Cardiac Ultrasound graduate

Krysta Gilbert has always dreamed
of working in the medical field.

Today, she is realizing that dream
working for Cardiodiagnostics,
performing echocardiography and
vascular ultrasounds.

MEETING THE NEEDS *of Our Business Partners*

STI is expanding its responsiveness to the labor market and resultant workplace needs through our new **Business Partnership Development Forums** scheduled for three targeted Industries in our region. Leaders in Healthcare, Construction and Financial Services will attend forums on campus, facilitated by a national consultant, to gather the latest information about anticipated industry change and workforce demands. Southeast Tech will use these findings to develop new programs, enhance current programs and expand our business and industry training to fill unmet industry needs.

Current Program Advisory Committees will also continue to serve an integral role for each STI Program. Members provide an on-going dialog with instructors, administrators and employers in the technical fields.

Through these groups, along with many other connections throughout our city, region and state, Southeast Tech continues to build its strong reputation as a responsive, business-friendly organization.

In response to market demand, and after careful analysis of the region's labor needs, Southeast Tech is proud to offer two new programs for 2006.

Electroneurodiagnostic Technology

Electroneurodiagnostic (END) technologists help physicians diagnose brain tumors, strokes, toxic/metabolic disorders, epilepsy, and sleep disorders.

Pharmacy Technician

Pharmacy Technicians help licensed pharmacists provide medication and other healthcare products to patients.

SOUTHEAST *Strategic Plan*

Goals

Goal 1. STI will foster student learning through effective programming and state-of-the-art facilities and equipment.

Goal 2. STI programs will achieve and maintain appropriate state, national, and industry standards, certifications and specialized program accreditation.

Goal 3. STI will respond to state and regional needs for new or expanded programs.

Goal 4. The Business and Industry Training division of STI will become the regional training provider of choice.

Goal 5. STI will continue to meet and exceed the requirements and standards of the Higher Learning Commission (HLC) of the North Central Association of Colleges and Schools for the accreditation of the institution.

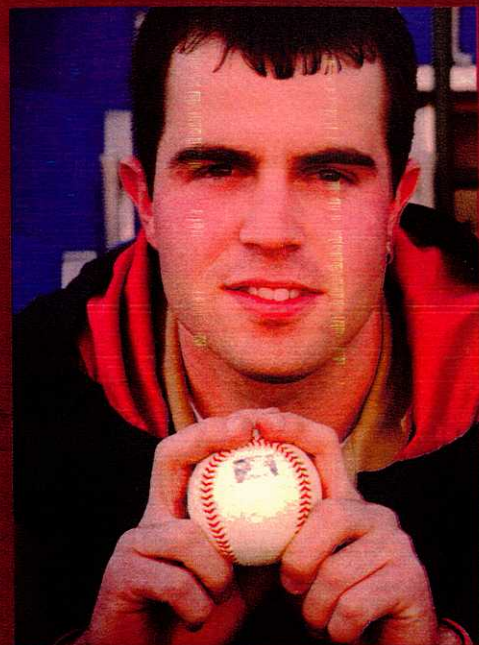
Goal 6. STI will provide exemplary comprehensive student services.

Goal 7. STI will provide an organizational structure that reflects the best practices for administration and leadership.

MEETING THE NEEDS *of Our Constituents*

STI is currently analyzing innovative methods of providing affordable education options for working adults. Several modes of learning are currently being considered, including: evening courses; accelerated courses; online courses; weekend courses; and hybrid courses (a combination of all or some of the above options).

FACES OF *Success*



Preston Stensrud

THIS IS MY OFFICE

Turf Management Technology graduate Preston Stensrud has launched his career maintaining the Boston Red Sox's legendary Fenway Park. Go Sox!

STI is a part of the Sioux Falls School District and is reported as a special revenue fund on the District's financial statements. As such, the funds are restricted for post-secondary vocational education purposes. Over the last several years, STI has increased its fund balance significantly.

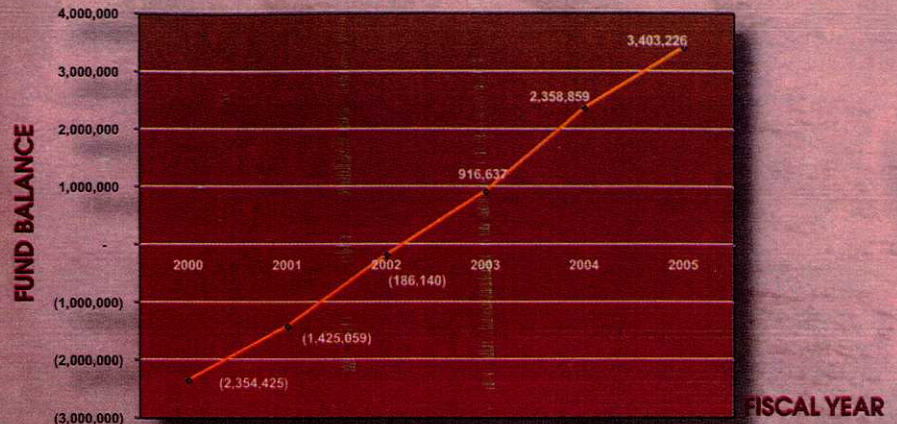
STI's primary sources of revenue are tuition and fees charged to students and state aid provided by the South Dakota Legislature. Both sources of revenue have been increasing over the last six years. However, STI has experienced a reduction over the last several years in other discretionary state funds.

STI also has several proprietary/enterprise funds. Enterprise funds are used to account for business-like activities. STI has enterprise funds for Business and Industry Training (BIT), Bookstore, Childcare Services, and Food Service. During fiscal year 2005 the deficit balance in the Food Service fund was transferred to the post-secondary vocational fund. STI began outsourcing food service in 2004.

Primary revenue sources for the enterprise funds are the sales of goods and services. BIT provides non-credit educational and training programs. The Bookstore provides all books and supply materials for STI students. The Scarbrough Center provides childcare services for students and staff of STI.

SOUTHEAST *Finances*

STI GENERAL FUND



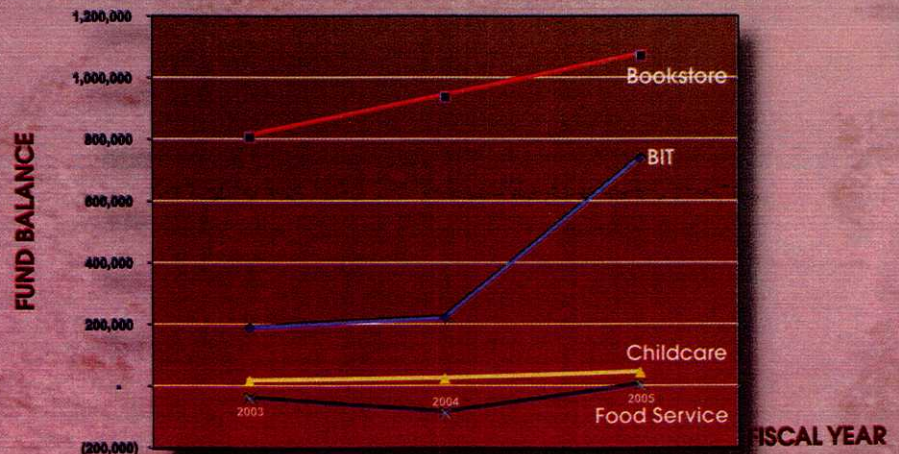
STI POST-SECONDARY VOCATIONAL FUND - REVENUES

	2000	2001	2002	2003	2004	2005
Tuition/Fees	4,998,515	5,390,850	6,031,970	5,768,739	6,166,615	6,523,011
State Distribution	4,094,277	4,338,208	4,782,960	5,300,982	5,418,879	6,497,868
Federal	853,238	881,908	1,040,749	1,173,430	1,043,041	1,229,793
Other State	1,086,060	1,840,355	1,667,525	1,325,776	824,499	332,989
Miscellaneous	1,501,176	1,015,927	1,415,300	322,825	745,723	292,849
Total	12,533,266	13,467,248	14,938,504	13,891,752	14,198,757	14,876,510

STI POST-SECONDARY VOCATIONAL FUND - EXPENDITURES

	2000	2001	2002	2003	2004	2005
Personnel	7,511,470	7,866,819	8,420,181	7,429,892	7,849,962	8,492,382
Purchased Services	1,612,699	2,007,915	2,137,671	1,993,496	2,063,671	2,220,808
Supplies/Materials	795,978	871,504	802,348	589,793	667,381	1,100,511
Capital	1,563,892	1,132,477	1,720,475	2,112,896	2,049,877	1,736,643
Other	584,904	659,167	618,910	662,898	125,644	281,799
Total	12,068,943	12,537,882	13,699,585	12,788,975	12,756,535	13,832,143

STI ENTERPRISE FUNDS



STI ENTERPRISE FUNDS - REVENUES

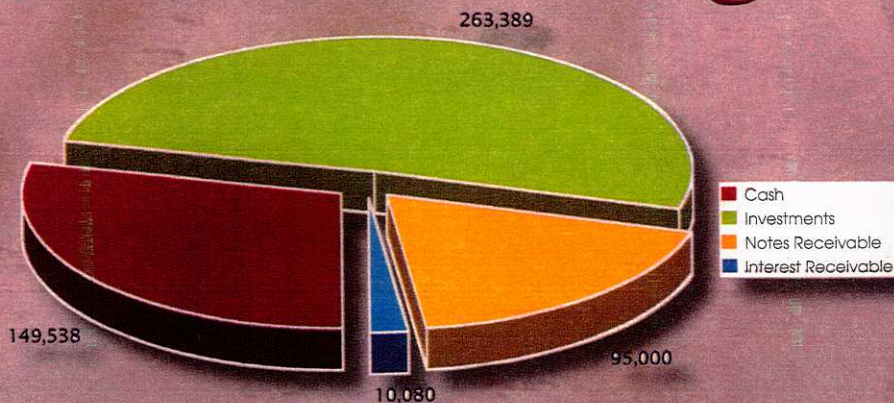
	2003	2004	2005
Tuition/Fees	711,389	653,004	538,728
Childcare Fees	270,475	288,683	285,726
Book/Supply Sales	1,253,794	1,265,165	1,290,612
Food Sales	126,149	114,791	6,623
Other	275,903	170,368	583,832
Miscellaneous	448,508	386,109	279,290
Capital Contributions	456,708	-	18,000
Transfers	15,800	-	125,071
Total	3,558,726	2,878,120	3,127,882

STI ENTERPRISE FUNDS - EXPENDITURES

	2003	2004	2005
Personnel	1,359,912	1,204,351	925,902
Items for Resale	1,071,635	1,031,802	1,003,772
Purchased Services	362,145	211,571	162,404
Supplies/Materials	223,734	123,061	116,196
Other	186,965	96,760	73,272
Depreciation	78,058	87,530	84,000
Total	3,282,449	2,755,075	2,364,546

FOUNDATION *Funding*

2005 STI FOUNDATION NET ASSETS



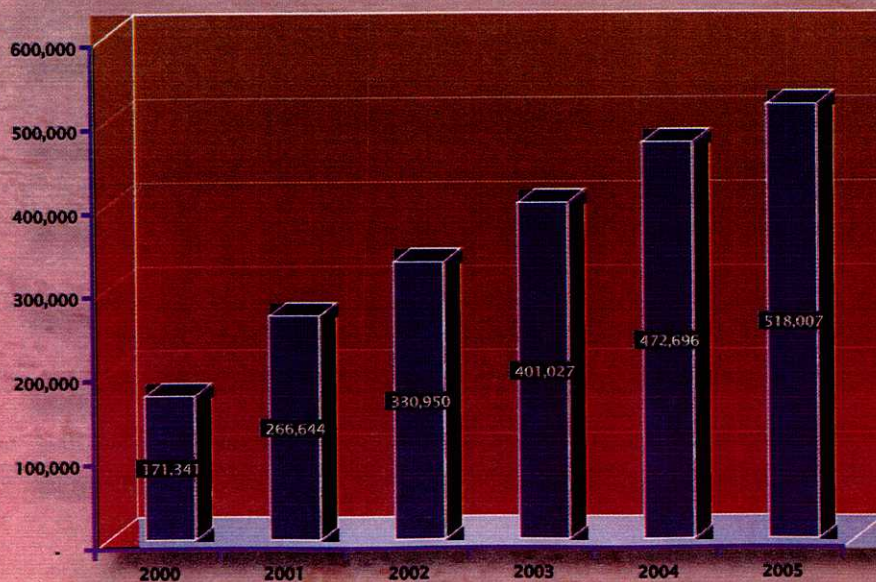
STI FOUNDATION REVENUES

	2003	2004	2005
Cash Contributions	77,544	75,396	77,157
Gifts-In-Kind	388,415	105,095	45,747
Interest/Investment Earnings	13,687	28,441	30,676
Total	479,646	208,932	153,580

STI FOUNDATION EXPENDITURES

	2003	2004	2005
Grants - Cash	18,544	28,255	58,561
Grants - Noncash	388,415	105,095	45,747
Accounting Fees	875	1,733	1,732
Administrative Fees	585	374	1,868
Investment Fees	1,150	1,806	361
Total	409,569	137,263	108,269

2000-2005 STI FOUNDATION NET ASSETS



2000-2005 STI FOUNDATION NET ASSETS

2000	171,341	2003	401,027
2001	266,644	2004	472,696
2002	330,950	2005	518,007

FACES OF *Success*



Jay Tolsma

FIX CUTTING-EDGE TECHNOLOGY THAT SAVES LIVES

Biomedical Equipment Technology graduate Jay Tolsma enjoys being involved in the medical field from the technology angle. Working as a Field Service Engineer for Cassling Diagnostic Imaging, Jay manages his time performing scheduled maintenance work and responding to critical equipment break-down calls.

FACES OF *Success*

BUILDING
OUR ECONOMY,
WORKING FOR YOU!

Alumni



"Nine of the 48 TSP employees in the Sioux Falls office are Southeast Tech Alumni. They are a substantial part of the backbone of TSP services. Their extensive talents are used to fill a wide spectrum of client needs."

-Meredith Larson, Principal, TSP

Alumni Recognition Visits

70 - 80% of STI alumni live, work and raise their families in South Dakota. The educational skills they acquired at STI strengthen our workforce and build our state's economy.

Southeast Tech is partnering with area businesses to showcase our pride and acknowledge the value of the STI alumni they employ. Visits include prizes from STI, information about scholarships, and an opportunity to recognize the achievements of our alumni at your business. To schedule an Alumni Recognition Visit at your company, contact Mary Freiborg, Institutional Advancement Officer, at 605.367.7464.



BUSINESS & INDUSTRY *Training Division*

The BIT Division partners with local companies to provide customized training to improve the skills of the local workforce. Training may take any number of forms including: communication (written or spoken), management and supervision, computer skills and many more.

2006 BIT Highlights

- The Business & Industry Training Division is launching two new health-related programs for the Fall 2006 semester. Certified Nurses Assistant training and a Dental Assistant Apprenticeship program are both in development with anticipated start dates in October.
- NEW (National Electronic Warranty) Corp. is partnering with BIT to provide training for their Work At Home program. This program employs and trains people in the Sioux Falls area to become customer service representatives working from their homes. Southeast Tech and BIT provide computer labs and technical support to aid in this effort.
- Business & Industry Training at STI partners with Joe Foss Alternative School to provide dual-credit classes. Through this partnership students are able to finish their high-school requirements and easily transition to post-secondary education.
- Commercial Driver's License (CDL) training classes are offered in Sioux Falls, SD and Fargo, ND. This program provides short-term training to help people transition into a well paying, high-demand profession.
New for 2006 - students can experience a three-channel plasma screen Immersive driving environment with BIT's new SIMCOMMANDER Commercial Vehicle Driving Simulator.
- Retail Floral classes are offered for people wishing to work in the floral industry, or those seeking to improve their skills for personal reasons. Many of the graduates from this program obtain South Dakota Florist's Association certification.



Contact the Business & Industry Training Division to discuss your individualized training needs at 605.367.7284.

SOUTHEAST

Tech

2320 N Career Ave

Sioux Falls, SD 57107

MAIN PHONE: 605.367.7624

TOLL FREE: 800.247.0789

FAX: 605.367.8305

www.southeasttech.com

Focused FLEXIBLE *Affordable*



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